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SUBJECT: AUSTRIAN MEDIA HIGHLIGHTS: September 21, 2007

Floettl's Wife Testifies at Bawag Trial

¶1. The wife of Wolfgang Floettl, one of the key defendants in the trial surrounding the Bawag banking scandal took the witness stand Thursday, as one of the most closely-watched trials in recent Austrian history continues to grind on. Anne Eisenhower, the granddaughter of President Dwight Eisenhower, said she had learned of her husband's financial losses in 1998. All Austrian media report on the testimony at the Bawag trial of Anne Eisenhower, the wife of Wolfgang Floettl, one of the key defendants in the case. Floettl, the former investment banker, stands accused of losing billions in failed currency speculation deals in the late 1990s. Anne Eisenhower told the court that her husband was a "fighter," but added that he had been under enormous pressure from former Bawag CEO Helmut Elsner, who is charged with breach of trust for providing Floettl with the lost funds and for trying to conceal the bank's losses. Like several Austrian media reporting on the issue, independent provincial daily Salzburger Nachrichten focuses on the "glamour factor," describing Eisenhower's appearance in court as "jet set at the Bawag trial."

Interior Minister, FBI Director Discuss Counter-Terrorism

¶2. Austrian Interior Minister Guenther Platter (OeVP) told Austrian media Thursday he was very pleased with his meeting with FBI Director Robert S. Mueller in Vienna. During their "intense exchange of ideas," Platter and Mueller had primarily focused on counter-terrorism measures, the Minister said, adding that he had also shared information on the recent arrest of several suspected Islamic militants in Vienna. The meeting came ahead of Platter's trip to Washington DC in late October. Austrian Press Agency APA on Thursday reported on the meeting of the Director of the US Federal Bureau of Investigation (FBI), Robert Mueller, with Interior Minister Guenther Platter. Mueller said that "success in fighting terrorism depends on contacts between the United States and other nations. This includes the exchange of information and close cooperation to fight terrorist threats." The FBI Director also stressed that an important part of confronting such threats included monitoring the internet for militant activity. He praised the close and effective cooperation the FBI enjoys with the Austrian Interior Ministry in combating terrorism, organized crime, money laundering, child pornography, and cyber crime. He looks forward to Minister Platter's visit to the United States next month to further explore areas of cooperation, Mueller said. Platter also praised the current levels of teamwork between the United States and Austria, noting that such cooperation led last

year to solving 31 cases related to criminal money laundering operations. Independent provincial daily Salzburger Nachrichten and semi official daily Wiener Zeitung also reported on Mueller's visit to Austria.

Gusenbauer Defends Meeting with Dalai Lama

13. Following harsh criticism from China of his meeting with the Dalai Lama, Austrian Chancellor Alfred Gusenbauer defended his talks this week with Tibet's spiritual leader, saying "Austria is a place of dialogue." China's embassy, however, had protested the meeting. Gusenbauer said China's position on Tibet was well-known, but he also added that Austria had "very good" relations with China. Meanwhile, Austrian President Heinz Fischer was unavailable for a meeting with the Dalai Lama, something which was criticized by the non-governmental support group "Save Tibet." According to centrist daily Die Presse, the Dalai Lama is "an awkward guest for the Chancellery," given the fact that any politician officially meeting with the Tibetan spiritual leader is definitely up for harsh criticism from Beijing. Mass-circulation daily Kurier notes that Chancellor Gusenbauer did not give in to the pressure from China, knowing that the Dalai Lama is expected to meet with his German counterpart Angela Merkel in Berlin on Sunday. Thus, "in Merkel's slipstream," Gusenbauer simply defied the Chinese protests. The Dalai Lama's upcoming meeting with the German Chancellor, meanwhile, might go a long way towards alleviating the status of a quasi-outlaw China had imposed on the Dalai Lama, the Kurier speculates.

Leading Powers Discuss Iran

14. Major powers are meeting in Washington today to discuss a third United Nations Security Council Resolution, which would seek to increase sanctions against Iran. The five permanent members of the Security Council along with Germany are far from agreement on the issue, with Russia demanding more time for the International Atomic Energy Agency to clarify unresolved issues before further sanctions are considered. French President Nicolas Sarkozy on the other hand said Thursday that he will seek tougher UN sanctions on Iran for still producing nuclear fuel. Iran meanwhile continues to enrich uranium despite earlier Security Council Resolutions. In the discussion of how to address the controversy over Iran's nuclear ambitions, Paris is now pushing its partners in the EU to adopt a tougher stance towards Tehran, says liberal daily Der Standard. Thus, France wants to convince European businesses of "voluntary boycotts" against Iran, in order to tighten the screws on the regime in Tehran. EU members should call on companies to cut back on business deals with and refrain from seeking out new markets in Iran, a spokesperson for French President Nicolas Sarkozy suggested Thursday. In addition, financial institutions should reduce their investments in the Gulf state as well. These measures outside the framework of the United Nations, the Elyse argues, are necessary, given the fact that quite some time will likely pass until the UN may decide in favor of tightening sanctions against Tehran. The Standard also notes that in connection with Austrian energy provider OMV's planned gas deal with Iran the US had warned the Austrian government against pushing ahead with the project.

IAEA Calls for Israel Inspections

15. The general conference of the Vienna-based International Atomic Energy Agency has voted on a resolution criticizing Israel for its refusal to allow international inspections of its alleged nuclear program. Of the 144 nations, 53 voted in favor and 47 abstained, while only Israel and the United States voted against the proposal. The resolution on the application of IAEA safeguards in the Middle East is aimed at Israel, which is widely believed to possess nuclear weapons, but so far has neither confirmed nor denied the existence of an atomic weapons program. The vote holds no power to force inspections, however. Semi-official daily Wiener Zeitung, reporting on the visit to the Middle East of US Secretary of State Condoleezza Rice, points out that Palestinian President Mahmoud Abbas has demanded an extensive skeleton agreement on a two-state solution with Israel as one of the conditions for the major Mideast conference the US is planning to

hold later this year. Rice's Middle East trip has been overshadowed by Israel's recent actions against Gaza, adds the daily. Meanwhile, independent provincial daily Salzburger Nachrichten publishes a portrait of the US Secretary of State, suggesting that Rice is "someone who is better at being lead than at leading herself." She has thus "gambled away a lot of her reputation" as a "fiurehead of American realpolitik" since entering office as President Bush's National Security Advisor. These days, Rice's star is on the decline, both with US politicians and with the US media, says the Salzburger Nachrichten.

Bin Laden Demands War on Musharraf

16. Al Qaeda leader Osama bin Laden has called on Pakistanis to overthrow President Pervez Musharraf. In a new audio-message posted on the internet, bin Laden calls for "retaliation" for the storming of the Red Mosque in the capital Islamabad earlier this year. Pakistan has seen an increase in suicide bombings as well as kidnapping of Pakistani soldiers since the storming of the mosque, which served as a stronghold of radical Islamists, says liberal daily Der Standard.
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